

Session 12-33 a Regular Meeting of the Homer City Council was called to order on November 26, 2012 at 6:01 p.m. by Mayor Mary E. Wythe at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, DOLMA, HOWARD, LEWIS,
ROBERTS, ZAK

STAFF: CITY MANAGER WREDE
CITY CLERK JOHNSON
CITY ATTORNEY KLINKNER
COMMUNITY & ECONOMIC
DEVELOPMENT COORDINATOR KOESTER
COMMUNITY RECREATION
COORDINATOR ILLG
FINANCE DIRECTOR MAURAS
LIBRARY DIRECTOR DIXON
PERSONNEL DIRECTOR PETERSEN
POLICE CHIEF ROBL
PUBLIC WORKS DIRECTOR MEYER

Council met as a Committee of the Whole from 5:00 p.m. to 5:47 p.m. to discuss 2013 Budget and Regular Meeting Agenda items.

Department Heads may be called upon from time to time to participate via teleconference.

AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The following changes were made to the agenda:

PUBLIC HEARINGS - Ordinance 12-47, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2013 for the General Fund, the Water-Sewer Fund, the Port/Harbor Fund, Debt Funds, and Capital Reserve Funds (Conditional Expenditures). City Manager. Written public comments; **Resolution 12-100**, A Resolution of the City Council of Homer, Alaska, Authorizing Participation in the Community Development Block Grant Program. City Manager. (Advertised as Public Hearing.); **ORDINANCES - Ordinance 12-56**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an Online With Libraries (OWL) Grant in the Amount of \$4,760.00 for a Temporary Part-Time IT Aide for

the Public Library and Authorizing the City Manager to Execute the Appropriate Documents.
City Manager/Library Director. Grant Agreement.

Mayor Wythe called for a motion for the approval of the agenda as amended.

HOWARD/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

Doug Stark, city resident, supports Ordinance 12-53. The money is needed to maintain quality of life, is not a new tax, but restores what voters approved. All other cities chose to continue their sales tax.

Meghan Murphy, city resident, supports Ordinance 12-53 to avoid shortfalls for community programs each year.

Larry Slone, city resident, supports Ordinance 12-53 if we need to balance the budget. There is an unlimited demand for services and a limited source of resources. As to Ordinance 12-57 he suggested setting aside 100 yards of dredge materials for the public to utilize.

Ray Kranich, city resident, voiced objection to Ordinances 12-53 and 12-54. People have spoken twice that they didn't want the tax on food. The City Manager and Department heads need to sharpen their pencils more to balance the budget.

Frank Bauer, city resident, opposes Ordinance 12-53. We don't have a tax revenue problem; we have a spending problem. It is time to start looking at Administrative costs. The power to tax is the power to destroy incentive, investment, and the purchasing power of people.

Wes Head, city resident, voiced opposition to Ordinance 12-53. The food tax hits low income and single parents hard. The voters have spoken twice.

Monte Davis, city resident, asked how much of the budget is going towards trail projects. People keep demanding services and don't want to pay for them with taxes.

Kelly Cooper, Homer resident, appreciates utilizing city services and approves reinstating the sales tax.

RECONSIDERATION

CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Special Meeting minutes of October 15, 22, and November 2, 2012 and Regular Meeting minutes of October 22, 2012. City Clerk. Recommend adoption.
- B. **Memorandum 12-170**, from Deputy City Clerk, Re: Application for Liquor License Renewal for Boardwalk Fish and Chips and a New Liquor License Application for the Sourdough.
- C. **Memorandum 12-171**, from Mayor, Re: Appointment of Larry Slone to the Planning Commission.

LEWIS/BURGESS - MOVED FOR APPROVAL OF THE RECOMMENDATIONS OF THE CONSENT AGENDA AS READ.

Councilmember Burgess welcomed Mr. Slone's appointment to the Planning Commission. Mr. Slone comes prepared, pays attention, and has good points. He looks forward to seeing him offer solutions to a myriad of problems.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VISITORS

- A. Mark Roth, Cook Inlet Aquaculture Board

Mr. Roth was not present.

- B. Monte Davis, Chamber of Commerce, Funding for Marketing

Monte Davis, Executive Director of the Homer Chamber of Commerce, reported the Chamber is helping to promote economic development. They promote Homer as a world class visitor destination, a great place to live and raise a family and do business. They spend every dime from the City to market the community as a whole. It is a wise investment for marketing. Last year the City budgeted \$21,000 for marketing and the Chamber tripled the investment. Currently 500+ members, the winter king tournament, the halibut derby, and car raffle fund the Chamber. Each year the Winter Carnival, Kachemak Bay Shorebird Festival, Clean-up Day, Get to Know Homer, and the Fourth of July Parade are held. The Chamber organizes and presents events for the community and they bring business to both the members and nonmembers.

Dollars are extended by partnering with organizations that get other funding. Every person in the community benefits from marketing. Sales taxes account for 70% of the tax revenues generated for the City; 75% of those taxes are generated in the six months surrounding the summer. The Chamber helped get the word out for the high school track and HoPP at Karen Hornaday Park. The sign to Pioneer Avenue business district is restored and the Visitor's Center is landscaped. The Chamber constantly works to enhance our quality of life and ensure our local business climate is positive and helpful to local entrepreneurs.

This year \$45,000 was spent on advertising, \$23,071 spent locally. We had a presence on local Alaska television. Over the summer the Chamber hosted over 50 Alaskan, national, and international travel writers. Their stories will equate to over \$300,000 of advertising for the city. In 2012 there was an increase of visitors. Over 91,000 visitor guides were requested and delivered. The State of Alaska has spent more money for marketing over the last two years than ever before and the 2013 season looks good. Mr. Davis thanked Council for dredging the Nick Dudiak Fishing Lagoon as it will be a shot in the arm for the entire community. The average visitor spends \$102 per day; 9,200 visitors were welcomed at the visitor center. He encouraged Council to support businesses and visitors with marketing.

Mayor Wythe recommended the Chamber of Commerce budget line item be amended to add "marketing fund" since that is what the Chamber does.

**ANNOUNCEMENTS/PRESENTATIONS/BOROUGH
REPORTS**

REPORT/COMMISSION

- A. **Mayor's Proclamation** – Karen Hornaday Park: Homer Playground Project (HoPP), Homer Little League and City of Homer

Mayor Wythe read and presented the proclamation to Mike Illg.

- B. **Mayor's Proclamation** – The City of Homer Parks and Community Recreation Program
- Alaska Recreation and Park Association - 2011 Outstanding Organization Award

Mayor Wythe read and presented the proclamation to Mike Illg.

- C. **Mayor's Proclamation** – November as Pancreatic Cancer Awareness Month

Mayor Wythe read and presented the proclamation to Kelly Cooper. A purple night vigil is scheduled for Thursday at 6:00 p.m. at WKFL Park.

- D. **Mayor's Proclamation** – Jerry Lawver, Lead Operator, Alaska Rural Water Association
2012 Water Operator of the Year

Mayor Wythe read and presented the proclamation to Jerry Lawver.

- E. Homer High School Students and Mayor Wythe Letters, re: Roundabouts

- F. Memorandum 12-177 from Community and Economic Development Coordinator
Koester, re: Domestic Violence and Sexual Assault Prevention: The Green Dot Strategy

Homer is considered as a pilot project for The Green Dot Strategy. Mayor Wythe has offered support from the City for the project.

- G. Certificate of Achievement for Excellence in Financial Reporting to Finance Department

Mayor Wythe acknowledged Regina Mauras and the Finance Department for keeping our accounts in order.

- H. Borough Report

Bill Smith, Kenai Peninsula Borough Assemblyman, reported the Assembly had a presentation from the Equine Rescue Group. There is difficulty dealing with animal rescues on the Peninsula. Animal control officials for all cities will be putting together a comprehensive plan for the Borough. There is a working group for emergency animal sheltering, as current planning does not include household pets.

Ketchikan has been advocating for State funding of schools in organized boroughs. Unorganized boroughs are funded 100% by the State. There will be a meeting in Anchorage soon that Mayor Navarre will attend.

- I. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission

Mayor Wythe called for a recess at 6:52 p.m. and reconvened the meeting at 6:58 p.m.

PUBLIC HEARING(S)

A. **Ordinance 12-47**, An Ordinance of the City Council of Homer, Alaska, Appropriating Funds for the Calendar Year 2013 for the General Fund, the Water-Sewer Fund, the Port/Harbor Fund, Debt Funds, and Capital Reserve Funds (Conditional Expenditures). City Manager. Introduction October 22, 2012, Public Hearings November 26 and December 10, 2012, Second Reading December 10, 2012.

Resolution 12-088, A Resolution of the City Council of Homer, Alaska, Maintaining the City of Homer Fee Schedule at the Current Rates. City Clerk. Follows Budget Ordinance 12-47 schedule.

Resolution 12-089, A Resolution of the City Council of Homer, Alaska, Maintaining the Port of Homer Terminal Tariff No. 600. City Clerk. Follows Budget Ordinance 12-47 schedule.

Mayor Wythe opened the public hearing.

Larry Slone, city resident, suggested funding to nonprofits be at a level for core services to allow them to remain viable. The City has a CIP list and cannot get funding for all 50 projects at one time.

Bumppo Bremicker, city resident, appreciates a lot of city services and is willing to pay for them through sales tax.

Mayor Wythe closed the public hearing.

HOWARD/LEWIS - MOVED TO PROPOSE A BUDGET AMENDMENT FOR ACCOUNT 400 DEPRECIATION RESERVES FOR PORT AND HARBOR ENTERPRISE FUND IN THE AMOUNT OF \$20,000 FOR THE PURPOSE OF A FEE AND TARIFF STUDY.

The City has been remiss in not being current and competitive with tariffs. The Port and Harbor Improvement Committee and the Port and Harbor Advisory Commission are in agreement.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

BURGESS/ZAK - MOVED TO ADOPT THE RECOMMENDATION OF STAFF TO AMEND THE FOUR PART-TIME JAILER POSITIONS TO TWO PART-TIME JAILER POSITIONS, ONE FULL-TIME PERS COMPLIANT JAILER POSITION THAT WILL RESULT IN A PROJECTED BUDGET SURPLUS OF APPROXIMATELY \$4,000.

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

HOWARD/ROBERTS - MOVED TO SUPPORT AND AMEND THE BUDGET ACCORDING TO THE PUBLIC WORKS REQUEST FROM THE SEWER RESERVE FUND IN THE AMOUNT OF \$60,000 FOR THE EQUIPMENT UPGRAGE.

The Water and Sewer Task Force Committee is asking questions about cost and flow rates. The equipment is old. Now is the time to take care of it so we have accurate equipment for the end goal of fair and equitable water and sewer rates.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

ZAK/ROBERTS - MOVED TO ADD THE AMENDMENT ON PAGE 7 OF THE PACKET.

The amendment has a variety of items based on the presumption of returning the sales tax revenues in the amount of \$697,000.

Councilmember Howard expressed opposition to reinstating the food tax. Citizens have spoken twice and it disenfranchises the voter when Council goes against them. Thus, she cannot support Councilmember Zak's amendment.

BURGESS/LEWIS – MOVED TO BREAK DOWN TO A LINE BY LINE APPROVAL.

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

LEWIS/HOWARD - MOVED TO EXCLUDE 100-100 CITY COUNCIL WAGE INCREASE.

Councilmember Burgess would like to see people of lesser means be able to serve on the council. The small stipend equivalent to minimum wage is assurance more people would serve.

Councilmember Howard has no problem with council wages; she has a problem with the source of income to increase it.

Mayor Wythe expressed opposition as the amount currently paid covers the majority of expenses of serving on the council. She did not expect any compensation. It is public service and an honor to be here.

VOTE: (amendment) YES. HOWARD, LEWIS
VOTE: NO. ROBERTS, DOLMA, ZAK, BURGESS

Motion failed.

BURGESS/ROBERTS - MOVED TO REDUCE THE CONTRIBUTION TO SENIOR CENTER, ITEM 100-350, FROM \$50,000 TO \$20,000.

There was no discussion.

VOTE; (amendment) YES. LEWIS, ROBERTS, DOLMA, HOWARD, BURGESS
VOTE: NO. ZAK

Motion carried.

LEWIS/HOWARD - MOVED TO REDUCE 100-112 (CHAMBER OF COMMERCE MARKETING) FROM \$50,000 TO \$10,000.

The amendment would bring the Chamber contribution to \$31,000. Currently \$21,000 is allocated to the Chamber in the Manager's preliminary budget.

Councilmember Burgess would like to see the contribution total \$50,000.

Councilmember Howard noted this amendment would restore the contribution to the Chamber where it was several years ago at \$30,000.

Councilmember Roberts supports a reduction to \$50,000. The Chamber does good things with the money. It is money well spent.

Councilmember Burgess pointed out most cities on the Kenai Peninsula have a bed tax or form of revenue to market their community. The City of Homer is under-spending our competitors. The investment brings revenue to the community and is leveraged well.

Councilmember Lewis doesn't disagree with the contribution. We should just start reducing contributions slowly.

Councilmember Howard has no objection to the purpose. Her concern is the source of the income.

Councilmember Zak commented the Chamber of Commerce promotes revenue. He would like to see the \$50,000 remain as the Chamber helps the City run more efficiently. It is a big return to the community by multiplying the number of visitors to Homer. It is a key piece in helping create a community with quality of life.

Mayor Wythe expressed support to bring the total contribution up to \$50,000, but opposed \$71,000.

Councilmember Dolma would support an increase to bring the total to \$40,000 or \$50,000.

VOTE: (amendment) YES. LEWIS, HOWARD
VOTE: NO. BURGESS, ROBERTS, DOLMA, ZAK

Motion failed.

DOLMA/LEWIS - MOVED TO AMEND 100-112 TO REDUCE TO \$19,000 TO BRING TOTAL TO CHAMBER OF COMMERCE TO \$40,000.

VOTE: YES. HOWARD, LEWIS, DOLMA

VOTE: NO. BURGESS, ROBERTS, ZAK

Mayor Wythe broke the tie with a YES vote.

Motion carried.

BURGESS - MOVED TO REDUCE 100-5101-5105 TO A 1% COLA AND INCLUDE THE NEXT TWO LINES.

Motion died for lack of second.

Councilmember Burgess commented everyone is facing hard times. Employers are having to make cuts to benefits and COLAs. Big places in the City's budget where we spent lots of money is staff, Port and Harbor, Police, and Fire. He has a hard time seeing the City continue to provide full health benefits to employees knowing the private sector is not doing that well.

Councilmember Roberts commented the city employees have received no COLA for several years and she thinks it is time to do that.

Councilmember Lewis added there is no longer full health care for city employees. Their pay has been lowered and they are one of the lower paid cities in the United States. We need to keep quality employees here.

Mayor Wythe commented attracting and retaining employees is becoming difficult for the City.

Councilmember Howard expressed frustration as we don't have extra money for adjustments. People do not understand why depreciation reserves are made.

Councilmember Zak noted the City is overall stronger since reserve accounts are funded. If you don't plan for it you may face a big loss.

Councilmember Burgess commented Council is making difficult decisions. We have been mandated by the taxpayers to support programs and we have to balance the budget or put off funding depreciation. Hard decisions made now are those less difficult down the road that don't sign our future away.

ZAK/ROBERTS – MOVED TO APPROVE THE AMENDMENT TO THE BUDGET.

The amendment would be Councilmember Zak's proposal with the Economic Development 100-112 reduced to \$19,000 and the 100-350 for the Senior Center reduced to \$20,000.

BURGESS – MOVED FOR A FRIENDLY AMENDMENT TO MAKE THE AMENDMENT CONTINGENT ON PASSAGE OF ONE OR OTHER SALES TAX ORDINANCES.

City Clerk Johnson advised the amendment was not friendly.

ZAK/ROBERTS – MOVED TO AMEND THE AMENDMENT THAT APPROVAL OF THE AMENDMENT WOULD BE CONTINGENT TO THE PASSAGE OF ORDINANCE 12-53.

VOTE: (amendment as amended) YES. ZAK, HOWARD, BURGESS, LEWIS, ROBERTS, DOLMA

Motion carried.

D.. **Ordinance 12-48**, An Ordinance of the City Council of Homer, Alaska, Amending the Official Road Maintenance Map of the City of Homer by Adding Kestrel Circle and a Portion of Golden Plover Avenue as Urban Road. City Manager/Public Works Director. Introduction October 22, 2012, Public Hearing and Second Reading November 26, 2012.

Memorandum 12-162 from Public Works Inspector as backup.

Mayor Wythe opened the public hearing. In the absence of public testimony, Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion for the adoption of Ordinance 12-48 by reading of title only for second and final reading.

LEWIS/HOWARD – SO MOVED.

Councilmember Roberts questioned the information requested at the last meeting pertaining to the number of houses on the streets.

City Manager Wrede answered there are no houses; we expect some houses next year. There would be no plowing or road maintenance there now unless it was absolutely needed.

Councilmember Roberts recollected when Council was asked to add Adams Street they did not approve it since there was only one house on the road at that time. Two houses are required on the road to add them to the maintenance map.

Public Works Director Meyer answered Adams Street is the road that leads to Jack Gist Park. The City accepted the road for summertime road maintenance. There is no winter maintenance on the road. Seven things must be present for the City to accept maintenance of a road. One requirement is there must be residences where people live on the road, a house every 300 feet. In this case the subdivision was built in the city with a plan review and inspection with the understanding the City would take ownership of the road and maintain it. There are other subdivisions the City has placed on the official road maintenance map that we do no maintenance on since there are no people living there. Maintenance does not occur until there are people living there.

City Manager Wrede added there is an informal agreement between the City and Kachemak City with Kestrel Circle. The City has to drive its equipment through Kachemak City to service the area. There may be times the City gets there before Kachemak City crews do. The informal agreement states there may be times where we will drop the blade but will take no official responsibility for any road in Kachemak City. There is no obligation to drop sand or do plowing.

Public Works Director Meyer noted the portion of Golden Plover we are adding to the maintenance map is not the portion of Golden Plover that exists within Kachemak City. This is the extension of Golden Plover into the subdivision that is located in the city limits of Homer.

Councilmember Roberts questioned the whereas on Line 22 that says Kestrel Circle will go on the road maintenance map even though it is not built to standards.

Public Works Director Meyer answered Kestrel Circle does meet the road and grade standards.

City Attorney Klinkner advised roads shown on the official road maintenance map as amended by Ordinance 02-23(S) pertain to grandfathered roads; it is not applicable to roads approved now.

VOTE: YES. DOLMA, ZAK, HOWARD, BURGESS, LEWIS

VOTE: NO. ROBERTS

Motion carried.

C. **Ordinance 12-49**, An Ordinance of the City Council of Homer, Alaska Appropriating \$20,000 from the Homer Accelerated Roads and Trails Fund (HART) for the Purpose of

Conducting Survey Work and Engineering / Cost Estimating to Determine the Cost of Constructing the Initial One Half Mile of the Proposed Kachemak Drive Non-Motorized Pathway in Accordance with Resolution 12-079(S). Mayor/City Council. Introduction October 22, 2012, Public Hearing and Second Reading November 26, 2012.

Memorandums 12-163, 12-164, and 12-165 from Kachemak Drive Path Committee as backup.

Mayor Wythe opened the public hearing.

Bumppo Bremicker, city resident, advocated for the pathway that is listed in city plans and has been for years. The first section of the trail is dangerous for pedestrians and cyclists. Volunteer work will be used for the pathway.

Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion for the adoption of Ordinance 12-49 by reading of title only for second and final reading.

BURGESS/LEWIS - SO MOVED.

Councilmember Howard noted the commitment of funds does not bind the City for construction.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

D. **Ordinance 12-50**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a Grant Award from the Rasmuson Foundation in the Amount of \$18,852 for Collection Enhancement and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Library Director. Introduction October 22, 2012, Public Hearing and Second Reading November 26, 2012.

Memorandum 12-166 from Library Director as backup.

Mayor Wythe opened the public hearing. In the absence of public testimony, Mayor Wythe closed the public hearing.

Mayor Wythe called for a motion for the adoption of Ordinance 12-50 by reading of title only for second and final reading.

LEWIS/BURGESS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- E. **Ordinance 12-51**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Capital Budget by Appropriating \$212,270 from the Homer Accelerated Roads and Trails Fund (HART) to Re-Pave Fish Dock Road and Construct Improvements to Outer Dock Road and Appropriating \$100,000 from the General Fund Reserves / Fund Balance for a Reimbursable Economic Development Grant to Fund the Homer Tidal Power Incubator Project. Mayor. Introduction October 22, 2012, Public Hearing and Second Reading November 26, 2012.

Mayor Wythe opened the public hearing.

Bill Smith, Kachemak City resident, is working with the incubator power group. Plans are being drawn up on the stages of the project. University of Alaska will provide site characterizations of the currents and sediment of the Deep Water Dock to see if the area is viable.

Mayor Wythe closed the public hearing.

Councilmember Roberts expressed support for the tidal power incubator project.

Mayor Wythe called for a motion for the adoption of Ordinance 12-51 by reading of title only for second and final reading.

HOWARD/LEWIS – SO MOVED.

Mayor Wythe commented the proposal was presented with the concept of Homer taking initiative of economic development on our own. The project will not be the property of the City.

City Manager Wrede reported Port and Harbor Director Hawkins and Community and Economic Development Coordinator Koester are attending meetings. It is a reimbursable grant, but the first step in gathering data at the site is not reimbursable. There are recommendations to bring more structure to the RFP, particularly Section 3.

ROBERTS/LEWIS - MOVED TO AMEND SECTION 3 TO ADD THE RULES GOVERNING THE REIMBURSABLE GRANT PROGRAM WILL BE APPROVED BY RESOLUTION.

Councilmember Howard commented we will derive invaluable information from the study on the currents and erosion to prepare for future mitigation.

Mayor Wythe commented it was not her intention the City would be responsible for the project. The City would just assist in the initial funding for the project.

City Manager Wrede added the conceptual plan will be made by the University of Alaska professor. With Council's action on the ordinance the City may gather data. Other details can be figured out and stated clearly to Council and the public.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

F. **Resolution 12-100**, A Resolution of the City Council of Homer, Alaska, Authorizing Participation in the Community Development Block Grant Program. City Manager.

Mayor Wythe opened the public hearing.

Natasha Ala, Executive Director of the Boys and Girls Club, commented the HERC building is an asset for the Boys and Girls Club and other occupants. The block grant is a stepping stone to open other funding.

Kelly Cooper, Boys and Girls Club Board Member, supports the HERC facility for a permanent place for the club and Community Schools. The Boys and Girls Club is committed to looking for additional funding.

Mayor Wythe closed the public hearing. (See Resolutions.)

ORDINANCE(S)

A. **Ordinance 12-53**, An Ordinance of the Homer City Council, Amending HCC 9.16.010(A) and HCC 9.16.040, and Repealing and Reenacting HCC 9.16.100 Reinstating on a Year-Round Basis the City of Homer Sales Tax Imposed on Sales of Non Prepared Foods. Zak. Recommended Dates: Introduction November 26, 2012, Public Hearing And Second Reading December 10, 2012.

Mayor Wythe called for a motion for the adoption of Ordinance 12-53 for introduction and first reading by reading of title only.

ZAK/ROBERTS – SO MOVED.

Councilmember Howard will be voting yes for introduction for the sole purpose of allowing the public hearing process.

Councilmember Burgess noted it was a difficult spot in balancing the budget to provide essential services. He asked that the public help if they don't want to see the sales tax number increase.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Ordinance 12-54**, An Ordinance of the Homer City Council, Amending HCC 9.16.040 and HCC 9.16.100 to Make Certain Categories of Nonprepared Foods Subject to the City of Homer Sales Tax on a Year-Round Basis. Lewis. Recommended Dates: Introduction November 26, 2012, Public Hearing And Second Reading December 10, 2012.

Mayor Wythe called for a motion for the adoption of Ordinance 12-54 for introduction and first reading by reading of title only.

LEWIS/DOLMA – SO MOVED.

BURGESS/ROBERTS – MOVED TO POSTPONE THIS ORDINANCE TO A TIME WHEN THERE IS A DEFINITIVE YES OR NO VOTE OR NONPASSAGE OF ORDINANCE 12-53 AT OUR NEXT MEETING.

Councilmember Howard asked that the ordinance remain on schedule as it will run concurrent with Ordinance 12-53.

Councilmember Burgess would like the public to consider the merits of this ordinance and Ordinance 12-53.

VOTE: (postponement) YES. BURGESS

VOTE: NO. ROBERTS, DOLMA, ZAK, HOWARD, LEWIS

Motion failed.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Ordinance 12-55**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an Alaska Highway Safety Program Grant for DUI Enforcement and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Police Chief. Recommended Dates: Introduction November 26, 2012, Public Hearing And Second Reading December 10, 2012.

Memorandum 12-172 from Police Chief as backup.

Mayor Wythe called for a motion for the adoption of Ordinance 12-55 for introduction and first reading by reading of title only.

LEWIS/HOWARD - SO MOVED

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- D. **Ordinance 12-56**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating an Online With Libraries (OWL) Grant in the Amount of \$4,760.00 for a Temporary Part-Time IT Aide for the Public Library and Authorizing the City Manager to Execute the Appropriate Documents. City Manager/Library Director. Recommended Dates: Introduction November 26, 2012, Public Hearing and Second Reading December 10, 2012.

Memorandum 12-173 from Library Director as backup.

Mayor Wythe called for a motion for the adoption of Ordinance 12-56 for introduction and first reading by reading of title only.

DOLMA/BURGESS – SO MOVED.

City Manager Wrede noted the discrepancy on the grant agreement. Library Director Dixon applied for \$4,760. He suggested the amount be amended to an amount up to \$7,280 to reflect the language in the grant agreement.

ROBERTS/LEWIS - MOVED TO CHANGE ON LINES 9, 17, 27 AND 30 UP TO AN AMOUNT OF \$7,280.

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

D. **Ordinance 12-57**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2012 Capital Budget by Appropriating an Additional \$101,250 from the General Fund Balance for Completion of the Nick Dudiak Fishing Lagoon Dredging Project. City Manager/Public Works Director/Port and Harbor Director. Recommended Dates: Introduction November 26, 2012, Public Hearing and Second Reading December 10, 2012.

Memorandum 12-169 from City Manager as backup.

Memorandums 12-156 and 12-147 from Public Works Director as backup.

Mayor Wythe called for a motion for the adoption of Ordinance 12-57 for introduction and first reading by reading of title only.

LEWIS/BURGESS - SO MOVED.

Discussion on putting a couple hundred yards of dredge materials out for the public ensued. The materials are being sold to recoup as much money back as possible for the Nick Dudiak Fishing Lagoon dredging project. As city code stands, dredge materials may not be removed from the Spit.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

CITY MANAGER'S REPORT

A. City Manager's Report

City Manager Wrede reported a number of the Council went to AML. People in town deserve a pat on the back from the information they received. There are a number of cities complaining about air quality. Homer is ahead of the game in sewage and water treatment, and energy conservation in public buildings. They talked about Homer for half of the presentations, where Homer has funded energy conservation. An article in the Library Journal touts the Homer Public Library as a star library among four others in Alaska. The focus was on circulation per capita at 20.6% and visits per capita 25.1%.

People are dumping trash at dumpsters on the Spit. The City could ask the Borough to place a couple trash bins on the Spit.

We are getting questions if deferred assessments for the natural gas line will be available for seniors. If intended, Council will need to identify a source of money for deferrals. We can obtain borough records to get a sense of age and possible income to determine how many deferrals may be sought. If Council goes forward with the gas line they will need to upfront administrative costs and one loan payment.

Asked how the deferral could be applied to something the city does not own, Attorney Klinkner advised the deferred assessment could have interest accrue and be payable. An opportunity for the property owner to realize savings if they convert to gas could trigger the liability to begin.

The City received \$2M for Main Street intersection improvements that must be used. On the January agenda there will be discussion about roundabouts vs. a stoplight.

Councilmember Howard commended the employees on the Wellness Program.

B. Bid Report

C. Games Report

1. Alaska State Elks Association – Homer Elks Lodge 2127

CITY ATTORNEY REPORT

Attorney Klinkner outlined the three court cases that have had a dramatic increase in legal charges. Those are Auction Block vs. City of Homer, Griswold vs. City of Homer, and Neal vs. City of Homer. The Auction Block case is challenging the port and harbor tariff and treatment of lessees. The case is on a fast track and does not allow flexibility for the parties. The fixed dates have required intensive effort from September through November. The hearing will be held the first quarter of next year. There are pending motions to dispose of issues, which, if ruled in the City's favor will dispose of the case. The appeal from the decision on Griswold vs. City of Homer public records request on emails stemmed from voter information on a 2008 bond

election. It went through Superior Court where the City prevailed and is now in Supreme Court. A brief is to be filed soon. If the City prevails, the Superior Court has awarded \$11,000 in attorney fees. Neal vs. City of Homer claims the City is liable to plow Beluga Lake for ice skating. The land donation was made in 1983. The case has been briefed before Superior Court and is amenable to decision.

COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee
- D. Lease Committee
- E. Port and Harbor Improvement Committee
- F. Employee Committee Report
- G. Water and Sewer Rate Task Force

Mayor Wythe reported there will be a public hearing in January to share concepts the committee has been looking at. This includes a billing process based on usage with a nominal monthly fee. The next meeting for the task force is December 4 at 5:15 p.m.

PENDING BUSINESS

NEW BUSINESS

- A. **Memorandum 12-174**, from City Clerk, Re: Vacation of the 20-Foot Pedestrian Easement Within Tract A-1 Dedicated by Alfred Anderson Subdivision Pratt Museum Replat (Plat HM 2008-75); and Vacate the 10-Foot Utility Easement Along the West Boundary of Lot 14-A and 15-A Granted by Bunnell's Subdivision No. 17 (Plat HM 86-44) and the 10-Foot Utility Easement Along the West Boundary of Lot 15-A-1 Granted by Bunnell's Subdivision 1996 Pratt Museum Addition (Plat HM 97-13); Within Section 19, Township 6 South, Range 13 West, Seward Meridian, Alaska; the City of Homer and Within the Kenai Peninsula Borough; KPB File 2012-160; Location: City of Homer.

Mayor Wythe called for a motion for approval of the recommendations of Memorandum 12-174 to vacate pedestrian and utility easements at the Pratt Museum.

LEWIS/ROBERTS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Memorandum 12-175**, from City Clerk, Re: Post Travel Authorization for Councilmember Dolma to Attend the Alaska Municipal League 62nd Annual Local Government Conference in Anchorage, Alaska, November 12 - 16, 2012.

Mayor Wythe called for a motion for approval of the recommendations of Memorandum 12-175 to authorize post travel for Councilmember Dolma.

LEWIS/ROBERTS – SO MOVED.

The AML annual conference comes up very close to the election, not allowing Council to make prior travel approval for new members.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

RESOLUTIONS

- A. **Resolution 12-095**, A Resolution of the Homer City Council Adopting an Alternative Allocation Method for the FY 13 Shared Fisheries Business Tax Program and Certifying That This Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in the Cook Inlet Fisheries Management Area. City Manager.

Mayor Wythe called for a motion for the adoption of Resolution 12-095 by reading of title only.

LEWIS/ROBERTS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- B. **Resolution 12-096**, A Resolution of the City Council of Homer, Alaska, Approving a New Two Year Contract in the Amount of \$40,000 Per Year with Anderson Group, LLC for Legislative Consulting and Lobbying Services. City Manager.

ROBERTS/HOWARD - MOVED TO ADOPT RESOLUTION 12-096.

ROBERTS/BURGESS – MOVED TO AMEND LINE 7 TO CHANGE TWO TO ONE YEAR CONTRACT, LINE 21 TO MAKE ONE YEAR AND CHANGE DATE IN LINE 22 TO 2013 AND ADD THE PHRASE WITH THE OPTION TO RENEW FOR ONE YEAR, AND CHANGE LINE 32 AND 9 TO ONE.

The amendment would be for a one year contract with Anderson Group, LLC for lobbying services.

BURGESS/ROBERTS - MOVED TO AMEND WITH THE OPTION TO REVIEW AT THE CURRENT RATE.

Air fare and lodging for one trip to Homer per year are not included in the resolution.

HOWARD/LEWIS – MOVED TO POSTPONE FOR IT TO GO BACK TO THE DRAWING BOARD AND ALL PARTIES ARE IN AGREEMENT.

VOTE: (postponement) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- C. **Resolution 12-097**, A Resolution of the City Council of Homer, Alaska, Expressing Support for a Code Blue Grant Application in the Amount of \$153,000 for a New Ambulance, Authorizing the City Manager to Execute the Appropriate Documents, and Pledging that it will Appropriate the Required Ten Percent Match (\$17,000) if the Grant is Awarded. City Manager/Fire Chief.

Memorandum 12-176 from Fire Chief as backup.

Mayor Wythe called for a motion for the adoption of Resolution 12-097 by reading of title only.

BURGESS/LEWIS – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- D. **Resolution 12-098**, A Resolution of the City Council of Homer, Alaska, Awarding a Contract to Pacific Pile and Marine, LP, of Seattle, Washington, in an Amount Not to Exceed \$25,000 for Fender Pile Removal at the Deep Water Dock and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk/Port and Harbor Director.

Mayor Wythe called for a motion for the adoption of Resolution 12-098 by reading of title only.

BURGESS/LEWIS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- E. **Resolution 12-099**, A Resolution of the City Council of Homer, Alaska, Approving a Memorandum of Agreement Between the Homer Playground Project (HoPP), The Homer Foundation, and the City of Homer Regarding Future Maintenance and Oversight Responsibilities for the New Playground at Karen A. Hornaday Hillside Park. City Manager.

Mayor Wythe called for a motion for the adoption of Resolution 12-099 by reading of title only.

LEWIS/DOLMA - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

- F. **Resolution 12-100**, A Resolution of the City Council of Homer, Alaska, Authorizing Participation in the Community Development Block Grant Program. City Manager.

Mayor Wythe called for a motion for the adoption of Resolution 12-100 by reading of title only.

HOWARD/BURGESS – SO MOVED.

ROBERTS/LEWIS - MOVED TO AMEND LINE 15 TO PUT \$150,000 IN AND DELETE THE WORDS ON LINE 12 "OR A GRANT PROGRAM TO PAY NATURAL GAS HOMER SPECIAL ASSESSMENT DISTRICT ASSESSMENTS ON BEHALF OF LOW INCOME SENIORS."

There was no discussion.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

HOWARD/LEWIS – MOVED TO AMEND TO ADD PRIOR TO THE FINAL APPROVAL OF RESOLUTION 12-100 WE DECLARE THERE ARE NO ALTERNATIVE PROPOSALS SO WE ARE SUBMITTING THESE ITEMS FOR THE GRANT.

A correction to Line 6 for "COUNCIL" was noted.

VOTE: (amendment) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

G. **Resolution 12-101**, A Resolution of the City Council of Homer, Alaska, Acknowledging the October 2012 Surplus Equipment Bid Results. City Clerk.

Mayor Wythe called for a motion for the adoption of Resolution 12-101 by reading of title only.

LEWIS/BURGESS - SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Kelly Cooper, Homer resident, appreciates Council's time and effort and consideration of the block grant.

Bill Smith, Kachemak City resident, is supportive of natural gas.

Larry Slone, city resident, commented on the budget discussions and expressed his support for natural gas.

COMMENTS OF THE CITY ATTORNEY

Attorney Klinkner commented Attorney Wells will be at the December 10th meeting and he will be available by phone if needed.

COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

COMMENTS OF THE CITY MANAGER

City Manager Wrede had no comment.

COMMENTS OF THE MAYOR

Mayor Wythe thanked Council for their work on the budget this week. She thanked staff for their efforts of getting information to this meeting. She encouraged people to do research in the race to the bottom. It is defined as tightening the noose where everyone is sliding down.

COMMENTS OF THE CITY COUNCIL

Councilmember Dolma thanked the folks that came to speak tonight.

Councilmember Howard thanked the folks that came to speak. She cast a lot of no votes tonight. This will be her last meeting for six weeks.

Councilmember Burgess thanked the city staff for allowing participation in AML. The conference was a testament to what a well-run organization the City of Homer is. The Newly Elected Officials training had already been touched on. He learned Homer is ahead of other Alaskan cities on a lot of things. He thanked Bill Smith for talking about natural gas. There is no good short term alternative to fuel oil, although natural gas is cheaper. He thanked everyone that came to testify and looks forward to seeing more people on December 10th.

Councilmember Zak thanked Katie for the block grant resolution. We are already seeing the fruits of her position; if we race to the bottom we will not fund things like Katie's job. He thanked everyone that serves on boards of directors; that is what helps to add to the quality of life in the community. There was a great sense of community tonight with the proclamations. It takes everyone working together instead of just the City Council. Council has a lot of hard thought to make the right decisions for the community and he appreciates the support. There is no other community he would choose to live it; part of it is the people that choose to live here.

Councilmembers Roberts and Lewis had no comments.

ADJOURNMENT

There being no further business to come before the Council, Mayor Wythe adjourned the meeting at 9:28 p.m. The next Regular Meeting is Monday, December 10, 2012 at 6:00 p.m. and Committee of the Whole 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

JO JOHNSON, CMC, CITY CLERK

Approved: _____